

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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IN RE LEHMAN BROTHERS HOLDINGS, INC. : Case No.: 07-CV-2990 (DAB/HBP)
DERIVATIVE LITIGATION : ECF Case
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DECLARATION OF JAMES G. GAMBLE

1. I am an attorney and member of the law firm of Simpson Thacher & Bartlett LLP, counsel for Nominal Defendant Lehman Brothers Holdings, Inc. ("Lehman") in the above-captioned action. I am fully familiar with the matters stated herein based on personal knowledge or review of files in the possession of my firm. I submit this Declaration in support of Lehman's Motion to Dismiss Plaintiffs' Verified Consolidated Shareholder Derivative Complaint.

2. Attached hereto as Exhibit A is a true and correct copy of Lehman's 1994 Management Ownership Plan, which was attached as an exhibit to Lehman's Form 10-K for the fiscal year ended November 30, 2002, filed with the United States Securities and Exchange Commission on February 28, 2003.

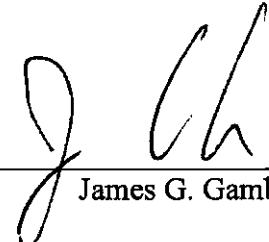
3. Attached hereto as Exhibit B is a true and correct copy of the Verified Complaint in *Bader v. Ainslie, et al.*, 06-CV-5884 (S.D.N.Y.) (the "Bader Action"), filed August 3, 2006.

4. Attached hereto as Exhibit C is a true and correct copy of the Stipulation and Agreement of Settlement in the *Bader* Action, dated January 10, 2007.

5. Attached hereto as Exhibit D is a true and correct copy of the Notice of Proposed Settlement of Stockholder Derivative Action and Settlement Hearing in the *Bader* Action, dated February 9, 2007.

6. Attached hereto as Exhibit E is a true and correct copy of the Final Order Approving Settlement in the *Bader* Action, dated April 7, 2007.

Dated: New York, New York
March 4, 2008



James G. Gamble